

**MINUTES
BUDGET/PERSONNEL
REGULAR MEETING
TUESDAY, JUNE 14TH, 2016
5:30 P.M.**

THE BUDGET / PERSONNEL COMMITTEE MET IN REGULAR SESSION IN THE COUNCIL CHAMBER AT 12 NORTH ROWE STREET, PRYOR, OKLAHOMA AT THE ABOVE DATE AND TIME.

Committee Members: **Greg Rosamond, Drew Stott, Travis Noland, Roger Willcutt (alternate)

1. CALL MEETING TO ORDER.

The meeting was called to order at 5:30 p.m. by Chairman Greg Rosamond. Members present: Greg Rosamond, Drew Stott, Travis Noland. Members absent: none.

Others present: Mayor Jimmy Tramel, City Attorney Kim Ritchie, Committee alternate Roger Willcutt, MUB General Manager Gary Pruet, MUB Assistant General Manager Jared Crisp, MUB Employee Ryan Stout, MUB Attorney Fred Sordahl, Chief of Police Dennis Nichols, Assistant Police Chief James Willyard, Fire Chief Tim Thompson, Assistant Fire Chief BK Young, Firefighters Brandon Merritt, Tim Bonea, Chris Peters, Kenny Cooper, Recreation Center Director Laura Holloway, Recreation Board Member Steven Wyneken, Consultant Ron Kolker, Infrastructure Solutions Representative Steve Powell, Library Director Cari Rerat, Library Board Member Jeannette Anderson, Terry Aylward, Citizens Scott Craft, Nena Roberts, Kelly Daugherty.

2. DISCUSS, POSSIBLY APPROVE THE MINUTES OF THE MAY 10th, 2016 REGULAR MEETING.

Motion was made by Rosamond, second by Stott to approve the minutes of the May 10th, 2016 Regular Meeting. Voting yes: Rosamond, Stott. Abstaining, counting as a no vote: Noland. Voting no: none.

3. DISCUSS, POSSIBLY APPROVE THE MINUTES OF THE MAY 26TH, 2016 SPECIAL MEETING.

Motion was made by Noland, second by Rosamond to approve the minutes of the May 26th, 2016 Special Meeting. Voting yes: Noland, Rosamond. Voting no: Stott.

4. MAYOR'S REPORT.

a. Tax Report.

Sales tax is down 6%. Use tax is down 46%. Tobacco tax is down 8%.

b. Review of financial status.

With the use of Capital Outlay funds, we will be down by approximately \$300,000 at the end of the fiscal year.

c. Budget Review.

Mayor has the 2016-17 budget ready for review. He will be sending it out to all department heads this week and Ron Kolker will look it over, as well.

5. DISCUSS AND DEFINE PROPOSED UTILITY RATE INCREASES AS DEFINED BY COST OF SERVICE STUDY, (INFRASTRUCTURE SOLUTIONS GROUP LLC, WILL DAN ECONOMISTS.COM PROJECT TEAM AND MUNICIPAL UTILITY BOARD).

Mayor presented a 16-page document from MUB, answering questions the Committee had proposed regarding the utility price increases. Mayor asked Gary Pruett to go through the document page-by-page with the Committee.

The document compared the differences in increase with and without allowing for the \$550,000 contribution to the City. The document also compared the proposed increases to utility costs of surrounding towns, and it showed estimated increases through 2019.

Pruett stated that the rates proposed are reasonable and fair. He stated that without these increases MUB cannot provide money to the City, which impacts the City overall. He also pointed out that without periodic rate increases, MUB will eventually be operating in the negative.

After much discussion regarding the proposed rate increases, the idea of adding a percentage amount to the utility bill that would automatically be earmarked for the City was proposed. Jared Crisp presented the estimated amounts of revenue that would be generated by the percentage method, showing 4%-8% figures.

Noland stated that he was in favor of having these increases mapped out for the next few years, as it is good planning on MUB's part. He also stated that at this point, he does not have an answer as to whether this is the right way to go or not. Rosamond thanked Pruett for answering the questions, and stated that he anticipates that more questions will arise from this meeting.

Pruett stated that he will gladly get answers to any new questions that are presented, but he reminded the Committee that time is of the essence. He stated that he believes adding 6% earmarked for City to the monthly utility bills would fix the budget issue.

The Committee agreed to compile their questions as soon as possible. No action was taken.

6. DISCUSS, POSSIBLY RECOMMEND COUNCIL ACTION ON UTILITY RATE INCREASES AS PROPOSED FROM ITEM #5 (COST OF SERVICE STUDY BY INFRASTRUCTURE SOLUTIONS GROUP LLC, WILL DAN ECONOMISTS.COM PROJECT TEAM AND MUNICIPAL UTILITY BOARD).

No action was taken.

7. PETITIONS FROM THE AUDIENCE.

There were no petitions from the audience.

8. UNFORESEEABLE BUSINESS. (ANY MATTER NOT REASONABLY FORESEEN PRIOR TO POSTING AGENDA.)

There was no unforeseeable business.

9. ADJOURN.

Motion was made by Stott, second by Rosamond to adjourn at 7:30 pm. All voted yes.